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### Town concerned with possible Twin River buyout

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Journal Staff Writers

LINCOLN — Worried over whether millions in tax dollars that form the bedrock of Lincoln's yearly budgets are in jeopardy, town officials reacted yesterday to a potential state buyout of the Twin River track-and-slot parlor.

But Lincoln Town Administrator T. Joseph Almond said he has talked with House Speaker William Murphy's office, and met with General Treasurer Frank Caprio, key members of Governor Carcieri's staff, and state revenue director Gary Sasse, the governor's point person in the intensifying behind-the-scenes effort to forge a plan to protect the state's financial interest should Twin River land in receivership.

The state currently gets approximately 60 cents of every dollar left behind by a slot player. If expectations pan out, the state will get \$246.8 million from slot-play at Twin River this year alone. Video-gambling has become the state's third-largest revenue source, and is doubly important to state-budget writers this year as the state tries to climb out of a financial hole.

But Twin River also injects major money into the town — about \$4.4 million in annual real estate and tangible property taxes, plus a \$5.2-million share of slot revenue for the "host community" of a gambling enterprise.

Almond said it was not clear to him which direction the state is leaning. But he said the discussions "revolve around receivership, what could prevent that," how the state can safeguard its revenue share and what right Lincoln would have to continue to tax Twin River real estate if the state did become the property owner.

"Is the state intent on being an owner, a partner with a private corporation ... or [a participant in] a debt-rescue deal with the lenders? There are a lot of scenarios floating around," Almond said.

Lincoln Town Council members responded to yesterday's Journal article in which House Speaker Murphy said state lawmakers must look at options to ensure Twin River "is protected," potentially including a state buyout.

"What I am concerned about is the income that the town receives now and how that might be impacted," said Town Council President Ronald A. McKenna. "We don't know if it's going to be a full state takeover or a partial state takeover or what."

McKenna said the loss of the tax revenue would be in addition to expected budget cuts, "so for us, it's a double whammy."

Should the state assume ownership, Almond said: "The town's position is we need to be compensated in lieu of taxes," but there have been "no promises of anything" yet.

Asked to explain Caprio's role in the discussions, his spokesman Tim Gray said that the treasurer "met with Administrator Almond in November to see what the Town of Lincoln's concerns would be if the state purchased Twin River. Treasurer Caprio's intent, and he met with Almond on his own accord, was to make clear that it would be his position that the Town of Lincoln's revenues from Twin River would not be in jeopardy with a change in ownership."

Gray had no immediate response when asked the basis on which Caprio made that statement.

Several town councilors said a critical question is what is coming — a state takeover in which Twin River becomes tax-exempt, or simply some sort of state involvement short of that.

Councilman Keith Macksoud, whose district includes Twin River, said he has more questions than answers, a sentiment among Lincoln officials because the takeover concept was short on details.

"I'm going to be a strong advocate to ensure that our share stays, at a minimum, where it is, if not get an increase," Macksoud said of the slot machine money-sharing agreement — should a state takeover occur. Macksoud also said he wants to ensure the town keeps control over the things at Twin River as it does now, such as zoning and licensing.

Councilman John W. Flynn said he "would hope that it would not come to" a state takeover in which the tax contribution vanishes from Lincoln's rolls.

Twin River's owners went to court last March seeking to get its real estate valuation slashed from \$94.7 million to \$26,079,563, which would mean substantial tax savings. On Tuesday, a newly filed court action seeks to cut another \$8.5 million off the personal property valuation, which would save the owners another \$570,723.

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